Geomatics and Legal Committees meet to discuss licence boundaries

It is very important for Operators to have an accurate and unequivocal definition of their exploration and operating licence boundaries. This certainty properly defines the commitment area, supports unitisation agreements and avoids potential complications with neighbouring licensees.

The IOGP Legal Committee and Geomatics Committee got together late last year to discuss the importance of appropriate contract area definitions (also called Licence or Lease boundaries). Richard Wylde, a former chairman of the Geomatics Committee, briefed the Legal Committee on technical aspects and potential pitfalls in defining contract areas appropriately. Due to a number of complexities, including the curved and irregular nature of the Earth, defining a licence boundary is not necessarily as straightforward as it may seem. The briefing provoked some animated conversations amongst our Legal representatives.

One initiative that came out of the meeting was a review of standard boundary agreement documentation. Walter Jardine, who is currently chairing the Geomatics Committee, suggested the inclusion of more appropriate wording covering geodetic terminology and coordinate reference system definitions. This would provide clarity on the exact nature and location of a boundary.

Further information on this topic is available in Geomatics Committee Guidance Note “Contract Area Description” [Report number: 373-03] available via IOGP Bookstore at www.iogp.org/bookstore, or contact the Geomatics Committee itself through lks@iogp.org.